

TO: Mr. Chair and Committee, Senate Taxation
FROM: Aart Dolman, 3016 Great Falls, MT 59401
DATE: February 3, 2011
RE: Senate Bill 245

SENATE TAXATION

EXHIBIT NO. 2

DATE 2.3.11

BILL NO. SB245

Dear Mr. Chair and Committee:

I am Aart Dolman and live in Great Falls. I am a professional historian and am doing currently research in the SME files in possession of the City of Great. These are the same files that were ordered by the court at the end of March 2010 to be available for public examination.

I have also attended about 95% of the meetings held by the Electric City Power Inc. held in the City of Great Falls and feel qualified to address the issues pertaining to SB Bill 245.

I support Senate Bill No. 245 as introduced by Senator Buttrey.

In **NEW SECTION 2. Special assessments for electric utilities.** (1) is very appropriate. When a Municipality as an electric supplier incurs a debt greater than \$ 500,000, it must levy an assessment on customers is appropriate.

This is especially so today. With the coming of renewable energy, such as wind generators, it is tempting for municipalities to start their own electric generating farms the experience suffered by the citizens of Great Falls need to be addressed.

The danger is as in the City of Great Falls that its electric utility organization, Electric City Power Inc., had a Board of Directors, until last year, who were also customers purchasing subsidized electricity from the city. They had a direct interest in suppressing public concern about the increasing debt and refused to adhere to public demand that the prices be corrected to the level of electricity paid by the city.

Today, this debt is currently somewhere between 4,000,000 and 5,500,000 million dollars.

Because of contractual obligations to purchase this electricity until 2048, this debt will increase to an unbearable sum of moneys for our city is losing every day some \$3,000 dollars, or a little more than a \$ 1,000,000 dollars a year.

In short, there is currently no way that the citizens of Great Falls can force the few electricity customers to pay for the terrible increasing and ongoing debt. It will force the city into bankruptcy in a few years. There must be a law such as the \$500,000 written in **Section 2** of this Senate Bill 245 that triggers the customers to pay for their electricity at the market price.

Also because of my experience in this type of research, I make myself available as an informational witness. Thank you for your interest and support.

P.S. Why does a private corporation, 501-C12, has unlimited accessibility to the taxpayers piggy-bank? 